

Clean Fuel Vehicle Tax Credit

The Utah Legislature has authorized a nonrefundable credit for use against individual income tax or corporate franchise tax for the purchase of new vehicles that use cleaner-burning fuels or for the conversion of vehicles to use cleaner burning fuels. Taxpayers claiming this nonrefundable credit must complete one form for each vehicle claimed and attach it to their individual income or corporate franchise tax returns. See instructions on the reverse side.

For Americans with Disabilities Act accommodations, please contact the Division of Human Resources, Department of Environmental Quality for certification information at (801) 538-6121; for tax information contact the Tax Commission at (801) 297-3811 (TDD 297-3819). Please allow three working days for a response if you are contacting the Tax Commission.

If you need further information, please contact the Utah State Tax Commission at (801) 297-2200 or 1-800-662-4335, if outside the Salt Lake City area.

Part A - This section must be completed by the taxpayer.

| | | |
|-------------------------------|------------------|-------------------------------|
| Taxpayer's name | Telephone number | Social security number or FIN |
| Address | City | State and ZIP code |
| Vehicle Identification Number | | |

Part B - This section must be completed by the Division of Air Quality, Department of Environmental Quality.

Indicate the following:

1. The vehicle is fueled by: ☐ propane ☐ compressed natural gas ☐ electricity ☐ other _____; or
2. ☐ The vehicle meets clean fuel vehicle standards in the federal Clean Air Act Amendments of 1990, Title II.
3. ☐ Conversion or ☐ New Vehicle

Certification by the Division of Air Quality, Department of Environmental Quality

I certify to the best of my knowledge and belief that the information contained in Parts A and B above are true and complete.

| | | |
|---------------------------------|-------------|----------------------------------|
| Authorized signature (required) | Date signed | DAQ stamp of approval (required) |
| X | | |
| Title | | |

Part C - This section must be completed by the taxpayer.

| | |
|-----------------------------------|--|
| Amount of qualifying expenditures | Amount of credit claimed (See General Instructions on reverse side for credit limitations) |
| \$ | \$ |

IMPORTANT - PLEASE READ

Refer to the instructions for your INCOME TAX (TC-40), CORPORATE TAX (TC-20 or TC-20S), or FIDUCIARY TAX (TC-41) to determine the line number on which you will record this credit.

The form must be signed by an authorized representative of the Division of Air Quality to claim a tax credit against any Utah tax for the taxable year in which the item is purchased. This signature may be obtained by mailing or presenting this form, along with the required documentation, to Department of Environmental Quality, Division of Air Quality, 150 North 1950 West, SLC, UT 84116-0385, telephone (801) 536-4000.

New Vehicles:

Taxpayers may take a tax credit against their state individual income tax or corporate franchise tax of 20 percent, up to \$500, of the cost of new motor vehicles being registered in Utah for the first time if:

- (1) it is fueled by propane, compressed natural gas, or electricity;
- (2) it is fueled by another fuel determined by the Air Quality Board to be as effective as the above listed fuels; or
- (3) it meets the clean fuel vehicle standards in the Federal Clean Air Act Amendments of 1990, Title II.

Converted Vehicles:

Taxpayers may take a credit against their state individual income tax or corporate franchise tax of 20 percent, up to **\$400**, of the conversion cost of motor vehicles registered in Utah if:

- (1) it is fueled by propane, compressed natural gas, or electricity;
- (2) it is fueled by another fuel determined by the Air Quality Board to be as effective as the above listed fuels; or
- (3) it meets the clean fuel vehicle standards in the Federal Clean Air Act Amendments of 1990, Title II.

Procedures

Taxpayers who purchase a qualifying vehicle shall submit the following documentation with this form to the Division of Air Quality-

- (1) a copy of the Manufacturer's Statement of Origin;
- (2) an original or copy of the purchase order, customer invoice, or receipt including the vehicle identification number (VIN) in **the taxpayer's name-**,
- (3) a copy of the Manufacturer's Suggested Retail Price document that includes a clean fuel option on the equipment list for the vehicle; or in the case of vehicles certified as meeting the Clean Fleet Vehicle standards in Part C of the Act, the owner must make the vehicle available to a representative of the Executive Secretary for verification of an under-hood decal on the vehicle for which the credit is requested. Contact the Division of Air Quality for verification of vehicles located outside the Wasatch Front; and
- (4) if the vehicle is a conversion to alternative fuels, then supply (a) documentation of compliance with applicable requirements and the current valid Clean Fuels Tax Credit approval stamp, (b) documentation that the conversion system installed has been certified by the Utah Air Quality Board, by providing the current valid Clean Fuels Tax Credit approval stamp issued **by** the Executive Secretary, and (c) copies of vehicle inspection reports before and after the conversion, indicating that the vehicle passed the current applicable inspection and Maintenance emission test in the county where the vehicle is registered. The owner is exempt from the vehicle inspection report submission requirements, only if a vehicle is registered and is converted in a county that does not implement any inspection and maintenance program. If the vehicle is registered in a non-inspection and maintenance county, and is converted in an inspection and maintenance county, a vehicle Inspection record is required.

Taxpayers who **convert a vehicle** shall submit the following documentation to the Division of Air Quality:

- 1) an original or copy of the purchase order, customer invoice, or receipt provided by an ASE-Certified Mechanic who converted the vehicle including:
 - (a) conversion kit or equipment manufacturer and model number;
 - (b) date of the vehicle conversion;
 - (c) name, address, and telephone number of the person who converted the vehicle; and
 - (d) signature of the person responsible for the information on the conversion form.
- (2) Form TC-40V, Clean Fuel Vehicle Tax Credit, identifying
 - (a) owner's name;
 - (b) social security number or federal identification number,
 - (c) the VIN of the vehicle being converted;
 - (d) fuel type before conversion; and
 - (e) fuel type after conversion.
- (3) Vehicle emission inspection reports before and after the conversion are required, except for vehicles registered in counties without an inspection and maintenance program.

The Division of Air Quality must complete Part B and sign and stamp this form for the tax credit to be properly validated.

Taxpayers must indicate the amount of qualifying expenditures and credit claimed against their individual income tax or corporation franchise tax in Part C.

The original completed and signed form must be attached to your tax return. Taxpayers must keep copies of tax credit records for three years from the date the return is filed.